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NEW HEALTH AFFAIRS STUDY: THREE YEARS INTO MEDICAID EXPANSION, LOW-INCOME RESIDENTS OF KENTUCKY AND ARKANSAS REPORT SUBSTANTIALLY BETTER HEALTH, FEWER EMERGENCY ROOM VISITS, INCREASED ACCESS TO CARE, AND COST SAVINGS

In the Two States, Low-Income Adults with Chronic Conditions Saw Similar Improvements; Low-Income Adults in Texas, Which Did Not Expand Medicaid, Did Not Experience Comparable Gains

New York, NY, May 17th, 2017—Medicaid expansion under the Affordable Care Act improved access to care, affordability, and self-reported health status among low-income adults in Arkansas and Kentucky, according to a Commonwealth Fund-supported study out today in *Health Affairs*. Low-income adults with chronic illnesses in both states also reported that they were in better health and had more affordable health care, and that they were getting care for their chronic conditions. Low-income adults in Texas, which did not expand Medicaid, did not report similar improvements.

The study is the latest from Benjamin Sommers, M.D., and colleagues at Harvard's T.H. Chan School of Public Health to analyze the impact of the Affordable Care Act on coverage, health care use, and self-reported health. The report uses survey data from Arkansas, Kentucky, and Texas, gathered yearly from 2013 through the end of 2016, to compare the experiences of low-income families (with incomes below 138 percent of the federal poverty level).

"The Affordable Care Act is leading to substantial improvements in health care for low-income adults in Arkansas and Kentucky, and people report that their health is better too," said Sommers, the study's lead author. "In contrast, many low-income adults in Texas continue to lack insurance and more frequently have to skip needed health care due to cost concerns."

Specifically, the researchers found that low-income adults in Arkansas and Kentucky were significantly more likely to have health insurance: by the end of 2016, the uninsured rate in the two states had dropped 20 percentage points more than in Texas. In 2016, the uninsured rate was 7.4 percent in Kentucky, 11.7 percent in Arkansas, and 28.2 percent in Texas.

When the authors compared the experiences of those who gained insurance in Arkansas and Kentucky under the Affordable Care Act, they found that the coverage led to:

- A 41-percentage-point increase in low-income adults having a **usual source of health** care.
- A 58.6-point drop in reports of trouble **paying medical bills** and a 74.7-point decline in skipping needed health care because of costs.
- \$337 less in medical **out-of-pocket spending** per year.
- A 28-point drop in the likelihood of having an **emergency department** visit.
- A 23-point increase in the share who **reported they were in excellent health.** Prior research has found that self-reported health is a reliable indicator of mortality risk.

Coverage Expansion Improved Care for Those with Chronic Illness

When looking at people with chronic illnesses who gained coverage because of the Affordable Care Act—a group who could become at risk under the changes proposed by the American Health Care Act—the study found similarly positive results. Low-income, chronically ill adults in Arkansas and Kentucky who gained coverage were:

- 56 percentage points more likely to report having regular care for their chronic condition than were chronically ill adults in Texas.
- 51 points less likely than those in Texas to skip medications due to cost.
- 20 points more likely to report being in excellent health.

The report's authors note that while Arkansas and Kentucky took different approaches to Medicaid expansion, the benefits to enrollees were nearly equal. And expanding Medicaid was far more beneficial to low-income people and the chronically ill than not expanding Medicaid.

"This study, along with others, makes it clear that the Affordable Care Act's Medicaid expansion has helped states make substantial gains in coverage while ensuring people can get and afford the health care they need," said Commonwealth Fund President David Blumenthal, M.D. "Repeal efforts that end the expansion threaten the health and financial security of the 12 million people nationwide who benefited from it. We must hold on to these gains and continue to work toward affordable and accessible health care for everyone."

When the embargo lifts, a summary with a free link to the study will be available at: http://www.commonwealthfund.org/Publications/In-the-Literature/2017/May/ACA-Improved-Medical-Care-and-Health.

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